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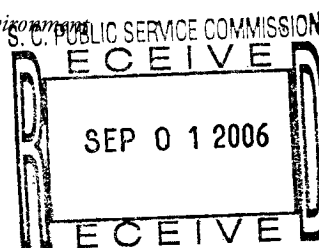
C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment

181649

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August 30, 2006



Honorable Charles Terreni
Chief Clerk and Administrator
Public Service Commission of South Carolina,
101 Executive Center Dr., Suite 100
Columbia, South Carolina 29210

Re: Application of Piedmont Water Company, Inc. for Approval of Stock
Purchase Agreement
Docket No: 2006-198-W

Dear Mr. Terreni:

Enclosed please find an original and one (1) copy of the *Petition of the South Carolina Department of Health and Environmental Control to Intervene* in connection with the above referenced matter. I would appreciate you returning a clocked copy to me in the self-addressed stamped envelope I have provided.

✓ Thank you for your assistance in this matter. Should you have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,

Sandra R. Wessinger

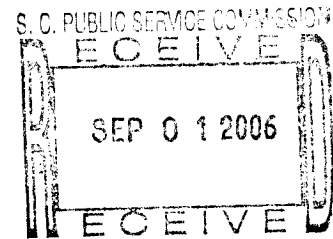
Sandra R. Wessinger
Paralegal to
Julie F. McIntyre
Staff Attorney

Enclosures

cc: C. Lessie Hammonds, Esquire
Robert T. Bockman, Esquire
Wendy B. Cartledge, Esquire

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BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
Docket No: 2006-198-W



IN RE: Application of Piedmont Water Company,)
Inc., for Approval of Stock Purchase)
Agreement)

Docket No: 2006-198-W

**PETITION OF THE SOUTH CAROLINA DEPARTMENT OF HEALTH
AND ENVIRONMENTAL CONTROL TO INTERVENE**

NOTICE OF MOTION

In accordance with 26 S.C. Code Ann. Regs. 103-836 (Supp. 2005), Petitioner South Carolina Department of Health and Environmental Control ("DHEC" or "the Department") herein petitions to intervene in the formal proceedings in the above captioned action on the ground set forth below.

A. The facts from which the nature of the Department's interests can be determined:

On July 20, 2006, Piedmont Water Company, Inc. (the "Company") filed an application, pursuant to 26 S.C. Code Ann. Regs. 103-704 (Supp. 2005), requesting that the Public Service Commission (the "Commission") approve a Stock Purchase Agreement, dated January 13, 2006 (the "Agreement"), wherein D. Reece Williams, IV (the "Seller") would sell and transfer to Stan Brown (the "Purchaser") the Seller's ownership interest in the Company, consisting of one hundred percent (100%) of the issued and outstanding shares of the Company's stocks.

The application alleges the Company owns and operates a water supply and distribution system by which it provides potable water to residential users in Pickens County, South Carolina ("System"). The applicant does not specify any other assets owned by the Company.

B. The grounds of the proposed intervention:

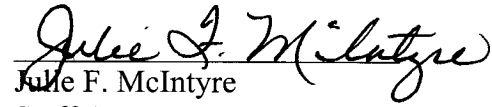
1. The Department is responsible for regulating public drinking water systems so that citizens and the environment in the State of South Carolina may be protected.
2. The Company, the Seller and the Purchaser are required to apply to DHEC for new operating permit and such application is pending. 24A S.C. Code Ann. Reg. §61-58.1 (Supp. 2005).
3. The Department believes that the Stock Purchase Agreement may act to transfer systems not specifically identified in the Stock Purchase Agreement by virtue of certain other drinking water and wastewater systems being identified by Mr. Williams to the PSC and DHEC as being assets of the Company.
4. There have been numerous compliance issues at the System.
5. No other party can raise or defend the Department's position.

C. The Department's position in the proceeding:

Approval of the Stock Purchase Agreement by the South Carolina Public Service Commission should be denied unless the Company, the Seller and the Purchaser clarify the specific assets that are held by the Company and intended to be transferred to the

Purchaser under this Agreement. In addition, approval should not be granted until the Company is in compliance at the System.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Julie F. McIntyre".

Julie F. McIntyre
Staff Attorney
SC Bar No.: 74013
South Carolina Department of
Health and Environmental Control
Office of General Counsel
2600 Bull Street
Columbia, South Carolina 29201
(803) 898-3350

August 30, 2006
Columbia, South Carolina

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

Docket No: 2006-198-W

IN RE: Application of Piedmont Water Company,)
Inc., for Approval of Stock Purchase) **Docket No: 2006-198-W**
Agreement)

CERTIFICATE OF SERVICE

I, Sandra R. Wessinger, Paralegal for the South Carolina Department of Health and Environmental Control, hereby certify that I have on this **30th day of August, 2006**, served a copy of the *Petition of the South Carolina Department of Health and Environmental Control to Intervene* upon all parties and counsel of record in the above-captioned case, via United States Mail, First Class, postage prepaid, addressed as follows:

C. Lessie Hammonds, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211

Robert T. Bockman, Esquire
McNair Law firm
Post Office Box 11390
Columbia, South Carolina 29211

Wendy B. Cartledge, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211


Sandra R. Wessinger

August 30, 2006
Columbia, South Carolina